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From the Private Secretary

14 August 1990

IRAQ/KUWAIT

The Prime Minister has noted reports that a number of countries are engaged in preparing to break or circumvent sanctions against Iraq.

She welcomes the effective action we have taken in the case of South Africa. The particular problem of Jordan is being discussed separately. She has commented on Hungary's apparent intention to evade sanctions and said that we should find a way to bring this to the attention of the Hungarian authorities. We should not be giving assistance, in this case from the Know-How Fund, to countries which are defaulters on sanctions. She thinks we should also consider an approach to Malaysia.

BF // You no doubt have these points in hand, but I should underline the Prime Minister's personal interest in seeing this followed up.

I am copying this letter to Jane Binstead (Ministry of Defence) and to Sir Robin Butler.

C. D. POWELL

The Hon Dominic Asquith,
Foreign and Commonwealth Office.

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